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March 26, 2010

Ms. Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Via e-mail (regs.comments@federalreserve.gov)

RE: Docket No. R-1343
Regulation E (Electronic Fund Transfers)

Dear Ms. Johnson:

This comment letter is submitted in response to the recently issued proposed clarifying revisions to the new overdraft provisions of Regulation E, published in the March 1, 2010 Federal Register by the Board of Governors of the Federal Reserve System (the "Board"). I submit these comments in my personal capacity only, and not on behalf of any client or colleague.

The Board has proposed certain revisions to 12 CFR Section 205.17(b)(4) and its Official Staff Commentary. One of these proposed revisions concerns the last sentence of Section 205.17(b)(4), which presently refers to applying a certain exception or provision in the regulation on an "account-by-account" basis. The Board has proposed revising this language to refer instead to an "account type-by account type" basis. Kindly clarify Section 205.17(b)(4) and its Official Staff Commentary so that a financial institution may apply the exception or provision on an "account type" and/or an "account by account" basis. This clarification would be useful with respect to certain existing accounts that have already been specially coded by financial institutions as "no overdraft" accounts at the depositors' specific request – such "no overdraft" accounts may not necessarily belong to the same account "type" (as that term is used in the Official Staff Commentary accompanying Section 205.17(b)(4)), and may not necessarily belong to account "types" that are generally not given discretionary or courtesy overdrafts by the depository institution. Instead, such coded accounts may instead have been specifically coded as "no overdraft" accounts pursuant to specific requests received from depositors in the past (including unsolicited depositor requests that may have been received by depository institutions that have not given their depositors a formal method of opting out of having discretionary or courtesy overdrafts posted to their accounts). In such a case, other depositors holding the same

account "type" may remain subject to the general opt-in requirement of Section 205.17(b), but depositors holding the same "type" of account (but for the fact that their accounts have already been specifically coded as "no overdraft" accounts) should not need to receive notice of the right to opt into discretionary or courtesy overdrafts.

Depositors who have previously opted out of discretionary or courtesy overdrafts may be confused if they receive an opt-in notice, and may think that they need to opt out again. By coding certain accounts (regardless of their "type") as "no overdraft" accounts, the depository institution has effectively created a subclass of accounts for which the institution will not intentionally authorize ATM or one-time debit card transactions (as well as check or other debit transactions) against insufficient funds. Provided that the holders of such coded accounts are not assessed overdraft fees for the occasional ATM or one-time debit card transaction that is inadvertently authorized from time to time against insufficient funds, the depository institution should not be required to give the holders of such coded accounts an opt-in notice.

I thank you very much for the opportunity to present this comment. Please do not hesitate to contact me at (203) 776-1911 during regular business hours (Eastern Time) if you have any question about anything discussed in this letter or would like any further information. Thank you again for your time and attention.

Sincerely,

/s/ *Elizabeth C. Yen*

Elizabeth C. Yen